

STATE OF NEBRASKA

DEPARTMENT OF INSURANCE

L. Tim Wagner

Director



Mike Johanns
Governor

MEMORANDUM

TO: Interested Parties

FROM: Beverly Creager, Licensing Administrator
David Krumm, Chief Examiner

DATE: April 25, 2002

RE: Viatical Settlement Broker and Provider Licensing

In 2001, the Nebraska Unicameral adopted the Viatical Settlements Act, Sections 27 to 42 of LB 52, which is now codified at Neb. Rev. Stat. §44-1101 et seq. Enclosed you will find the Nebraska Department of Insurance application forms for Viatical Settlement Broker, Viatical Settlement Broker Entity, and Viatical Settlement Provider.

A viatical settlement broker or viatical settlement provider transacting business in Nebraska on or before July 1, 2002, may continue to do so pending approval or disapproval of the broker's or provider's application for a license so long as the application is filed with the Department by July 1, 2002.

A viatical settlement broker or broker entity must submit an application fee of \$40.00 with the application(s). A viatical settlement provider must submit an application fee of \$100.00 with the application. Please make checks payable to the Nebraska Department of Insurance.

A viatical settlement broker applicant is required to be licensed in Nebraska as a life insurance agent and must have proof of errors and omissions coverage. A viatical settlement provider must provide proof of financial responsibility in the amount of

\$50,000 in the form of a surety bond, letter of credit, cash, securities or certificate of deposit or a combination thereof.

The Department is currently drafting a viatical settlements regulation to implement certain provisions of the Viatical Settlements Act. This draft regulation will be available for comment in the near future and your name will be maintained on the Department's mailing list.

If you should have questions regarding these application forms or other required information, viatical settlement brokers/entities should contact Beverly Creager, Licensing Administrator, and viatical settlement providers should contact David Krumm, Chief Examiner at 402/471-2201.

DECLARATION TO NEBRASKA
DEPARTMENT OF INSURANCE
FOR VIATICAL SETTLEMENT BROKER

Type or print all responses. Attach additional sheets as necessary. Return completed and signed declaration to: Nebraska Department of Insurance, 941 “O” Street, Suite 400, Lincoln, NE 68508-3639.

1. Name of applicant: _____
2. Nebraska life insurance agent license number: _____
_____ Resident _____ Non-resident
3. Mailing address: _____
4. Phone number: _____
5. Organizational information: _____ Individual _____ Corporation
6. List all states in which you are or ever have been licensed or registered to act as a viatical settlement agent or broker and the number and current status of any such license or registration. List any other states in which you have acted as a viatical settlement agent or broker:

STATE	LICENSE NUMBER AND STATUS

7. List all states in which your application for licensure or registration to act as a viatical settlement agent or broker is currently pending.

[illegible]

8. Have you (or any officer or director in the case of a corporate applicant) ever been convicted of or are you currently charged with committing a crime, whether or not adjudication was withheld? "Crime" includes a misdemeanor, felony, or a military offense. You may exclude misdemeanor traffic citation and juvenile offenses. "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence, or a fine.

_____ YES _____ NO

If you answer yes, you must attach to this declaration:

- a) a written statement explaining the circumstances of each incident;
- b) a copy of the charging document; and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgement.

9. Have you (or any officer or director in the case of corporate applicant) ever been involved in an administrative proceeding regarding any professional or occupational license or the business of viatical settlements or life insurance? "Involved" means having a license censured, surrendering a license to resolve an administrative or arbitration proceeding, which I related to a professional or occupational license. "Involved" also means having a license application denied or the act or withdrawing an application to avoid denial. You may exclude termination due solely to a non-compliance with continuing education requirements or failure to pay a renewal fee.

_____ YES _____ NO

If you answer yes, you must attach to this declaration:

- a) a written statement explaining the circumstances of each incident;
- b) a copy of the charging document; and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.

10. Have you (or any officer or director in the case of corporate applicant) ever been found liable in any lawsuit or arbitration proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty?

_____ YES _____ NO

If you answer yes, you must attach to this declaration:

- a) a written statement explaining the circumstances of each incident;
- b) a copy of the charging document; and
- c) a copy of the official document which demonstrates the resolution of the charges of any final judgment.

11. Identify all viatical settlement providers that have paid commissions to you during the previous 12 months or with which you intend to transact business during the next 12 months.

Name: _____

Address: _____

Phone: _____

Name: _____

Address: _____

Phone: _____

Name: _____

Address: _____

Phone: _____

I _____ intend to act as a viatical settlement broker or
(name of applicant)

viatical settlement in Nebraska. I have read and understood Neb. Rev. Stat. §44-1110 et seq. I understand that a viatical settlement broker is deemed to represent only the viator's interests and shall owe a fiduciary duty to the viator to act according to the viator's instructions and in the viator's best interests. I understand that a viatical settlement broker may not seek or obtain any compensation from the viator without the written agreement of the viator obtained before the broker performs any services in connection with the transaction. I understand that viatical settlement agent is deemed to represent only the viatical settlement provider. A viatical settlement broker may not seek or obtain any compensation from viator in connection with the transaction.

I hereby certify under penalty of perjury that the above information is true and correct to the best of my knowledge and belief.

Signature

Typed or Printed Name

Relationship to Applicant, if Applicable

☐ Partnership
☐ Corporation
☐ Limited Liability Company
☐ Limited Liability Partnership



STATE OF NEBRASKA
DEPARTMENT OF INSURANCE
941 "O" Street, Suite 400
Lincoln, NE 68508-3639
<http://www.nol.org/home/NDOI>
402/471-2201

For Department Use Only

Amt. Rec'd _____

Date Rec'd _____

Tracking No. _____

Amt. Rec'd _____

Date Rec'd _____

Tracking No. _____

VIATICAL SETTLEMENT BROKER BUSINESS ENTITY LICENSE APPLICATION

(Please Print or Type)

1) Business Entity Name		2) Incorporation/Formation Date (month) _____ (day) _____ (year) _____		3) FEIN# _____ -	
4) DBA/Trade Name (if applicable)		5) State of Domicile			
6) Business Address			7) City		8) State
					9) Zip
10) Phone Number () -		11) Fax Number () -		12) Business Web Site Address	
				13) Business E-Mail Address	
14) Mailing Address		15) P. O. Box		16) City	
				17) State	
				18) Zip	

Designated Licensed Individual Broker or Provider

19) Designate every individual who is authorized to act for the Business Entity under the Business Entity's license. Each designated individual must have an individual Viatical Settlement Broker license. The Business Entity must have at least one Designated Licensed Individual Viatical Settlement Broker who is responsible for the Business Entity's compliance with the laws, rules and regulations of the State of Nebraska.

Name _____ SSN _____ - - _____ DOI # _____
 Name _____ SSN _____ - - _____ DOI # _____
 Name _____ SSN _____ - - _____ DOI # _____
 Name _____ SSN _____ - - _____ DOI # _____

(Please list additional Individual Brokers on separate sheet)

Stockholders, Partners, Directors, Officers, Members, and Designated Employees

20) Identify all stockholders, partners, directors, officers, members and designated employees of the business entity:

Name _____ Title _____ SSN _____ - - _____
 Address _____ DOI # _____
 Name _____ Title _____ SSN _____ - - _____
 Address _____ DOI # _____
 Name _____ Title _____ SSN _____ - - _____
 Address _____ DOI # _____
 Name _____ Title _____ SSN _____ - - _____
 Address _____ DOI # _____
 Name _____ Title _____ SSN _____ - - _____
 Address _____ DOI # _____
 Name _____ Title _____ SSN _____ - - _____
 Address _____ DOI # _____

(Please list additional Stockholders, Partners, Directors, Officers, Members and Designated Employees on separate sheet)

Background Information

21) Please read the following very carefully and answer every question:

1. Has the business entity or any stockholder, partner, director, officer, member or designated employee ever been convicted of, or is the business entity or any stockholder, partner, director, officer or designated employee currently charged with, committing a crime, whether or not adjudication was withheld? Yes ____ No ____

"Crime" includes a misdemeanor, felony or a military offense. You may exclude misdemeanor traffic citations and juvenile offenses. "Convicted" includes, but is not limited to, having been found guilty by verdict or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence or a fine.

If you answer yes, you must attach to this application:

- a written statement explaining the circumstances of each incident,
- a copy of the charging document, and
- a copy of the official document which demonstrates the resolution of the charges or any final judgment.

2. Has the business entity or any stockholder, partner, director, officer, member or designated employee ever been involved in an Administrative proceeding regarding any professional license? Yes ____ No ____

If you answer yes, you must attach to this application:

- a written statement identifying the type of license and explaining the circumstances of each incident,
- a copy of the Notice of Hearing or other document that states the charges and allegations, and
- a copy of the official document which demonstrates the resolution of the charges or any final judgment.

3. Has any demand been made or judgment rendered against the business entity or any stockholder, partner, director, officer, member, or designated employee for overdue monies by an insurer, insured or producer, or have you ever been subject to a bankruptcy proceeding? Yes ____ No ____

If you answer yes, submit a statement summarizing the details of the indebtedness and arrangement for repayment.

4. Has the business entity or any stockholder, partner, director, officer, member or designated employee ever been notified by any jurisdiction in which you are applying of any delinquent tax obligation that is not the subject of a repayment agreement? Yes ____ No ____

If you answer yes, identify the jurisdiction(s): _____

5. Is the business entity or any stockholder, partner, director, officer, member or designated employee a party in, or ever been found liable in any lawsuit or arbitration proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty? Yes ____ No ____

If you answer yes, you must attach to this application:

- a written statement summarizing the details of each incident,
- a copy of the Petition, Complaint or other document that commenced the lawsuit or arbitration, and
- a copy of the official document which demonstrates the resolution of the charges or any final judgment.

6. Has the business entity or any stockholder, partner, director, officer, member or designated employee ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct? Yes ____ No ____

If you answer yes, you must attach to this application:

- A written statement summarizing the details of each incident and explaining why you feel this incident should not prevent you from receiving an insurance license, and
- Copies of all relevant documents.

Applicant's Certification and Attestation

22) The undersigned stockholder, partner, director, officer, member or designated employee of the business entity hereby certifies as the authorized representative of the business entity, under penalty of perjury, that:

- All of the information admitted in this application and attachments is true and complete and I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license revocation and may subject me and the business entity to civil or criminal penalties.
- The business entity grants permission to the Director of Insurance to verify any information supplied with any federal, state, or local government agency, current or former employer or insurance company.
- Each individual authorized to act for the business entity under this license either a) does not have a current child-support obligation, or b) has a child-support obligation and is currently in compliance with that obligation.
- I authorize the jurisdictions to give any information they may have concerning me or the business entity to any federal, state or municipal agency, or any other organization and I release the jurisdictions and any person acting on their behalf from any and all liability of whatever nature by reason of furnishing such information.
- I acknowledge that I am familiar with the insurance laws and regulations of the jurisdictions to which the business entity is applying for licensure.

Viatical Settlement Broker/Provider Officer Signature

23) Complete this section.

Signature for Certification and Attestation

Business Entity Broker

SS#

Authorized Representative Signature

Contact Person Name

Print/Type Name and Title

Phone Number

Contact Person's E-Mail Address

Notary

SUBSCRIBED AND SWORN TO BEFORE ME THIS _____ DAY OF _____

(SEAL)

NOTARY PUBLIC

COMMISSION EXPIRES

Attachments

Business Entity Broker Requirements

1. Must have each individual acting for, or authorized to act for, the business entity licensed as an individual viatical settlement broker and designated by the business entity with the Department of Insurance.
2. Submit copies of the following documentation as applicable: Articles of Incorporation, Partnership Agreement, Articles of Organization.
3. Certificate of Authority from domicile state, if applicable.
4. Resolutions are necessary if there are General Partners or Limited Partners of the Partnership or Members of the Limited Liability Company or Officers of the Corporation who will not be acting on behalf of the Partnership, LLC or Corporation under its business entity license.
5. Provide a list of all states in which the business entity is licensed as a viatical settlement broker.
6. Each application for licensure shall be accompanied by a \$40.00 licensing fee.

Renewal Date: April 30th of each year with the payment of a \$40.00 renewal fee.